



Comptroller General
of the United States

Washington, D.C. 20548

Decision

Matter of: Montgomery LC Inc.

File: B-257010

Date: April 20, 1994

DECISION

Montgomery LC Inc. protests the issuance of solicitation No. DU203B000023000 by the Department of Housing and Urban Development (HUD). Montgomery LC contends that its options under contract No. H09C9302650000 should be exercised instead of the services for mortgage processing being recompleted.

We dismiss the protest because a contractor has no legal right to compel the exercise of a contract option.

Contract options are exercised solely at the discretion of the government, and a contractor cannot compel an agency to exercise an option in its contract. California Shorthand Reporting, B-236680, Dec. 22, 1989, 89-2 CPD ¶ 584. Those who bid on contracts containing option provisions assume the risk that the agency might not exercise the option. Arlington Public Schools, B-228518, Jan. 11, 1988, 88-1 CPD ¶ 16.

A handwritten signature in black ink, appearing to read "John M. Melody", is written over the typed name.

John M. Melody
Acting Associate General Counsel